

75-12463
November 14, 1975

CONFIDENTIAL

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR

THE SECRETARY OF STATE
THE SECRETARY OF TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE DIRECTOR, OFFICE OF
MANAGEMENT AND BUDGET
THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT:

Organization and Management of the
Foreign Intelligence Community

The President has directed that a study be made of the organization and management of the foreign intelligence community. The study should include an examination of:

- the basic structure of the community,
- key problems of organization and management,
- definition of requirements,
- systems design and selection
- resource allocation,
- guidance mechanisms,
- consumer-producer relationships, and
- relevant recommendations of the Rockefeller and Murphy Commissions.

Based upon the results of these reviews, the study should:

- evaluate the need for changes in the current organization of the foreign intelligence community,
- present options for a possible reorganization of the foreign intelligence community, and
- submit the recommendations of each addressee on the options presented.

This study will be prepared by an ad hoc group composed of representatives of the addressees and chaired by the representative of the Office of Management and Budget. The study should be completed by December 12, 1975. It will be submitted to the Intelligence Coordinating Group which was established by the President on September 19, 1975.

NSC Declassification/Release Instructions on File

INTELLIGENCE ORGANIZATION GROUP

PROPOSED TASK PLAN

Study Plan: Review Foreign Intelligence Community only; counterintelligence and domestic intelligence agencies excluded

PHASE I - OBJECTIVES, NEEDS AND PROBLEM DEFINITION (Nov 20-24)

A. Study Objective.

The primary objective is to identify organizational alignments and management arrangements

- to develop and deliver the best and most timely substantive intelligence products to policy-makers and government operators,
- to insure that decisions to employ intelligence activities are proper, well considered and advised, and
- to insure that such activities, when employed, are well directed and monitored with assigned accountability.

All of this is to fall within an environment of effectiveness, efficiency and economy.

B. Current and future trends -- look ahead 5-10 years.

o Areas of greater/lesser emphasis.

- Mission area - Soviet, PRC, Europe, Middle East, Near East, Other.
- Type intelligence - military, political, economic, national vs tactical.
- Intelligence resource mix - collection, processing, production.
- Time sensitivity - e.g., six months; 1-2 weeks; less than one week.

- C. The users of foreign intelligence (after Phase II).
- Who are they - President, agency heads, military commanders, agency staff.
 - What are their needs - today and in the future?
 - Have these needs been met in the past?
 - -- Performance evaluation.
 - Conduct interviews with consumers/players.
- D. Deficiencies identified in foreign intelligence.?
- Executive Branch organization.)
 - Intelligence Community leadership.
 - Intra-community relationships.
 - Producer-user relations.
 - Foreign intelligence (secrecy) in a democratic society.
 - Executive/Congressional relations.

*resource
allocation*

PHASE II - ORGANIZATIONAL AND MANAGEMENT PROBLEMS (Nov 24-29)

1. Executive Office (and State) supervision, coordination and control.
2. Intelligence Community Leadership.
3. Control over Community Resources.
4. Producer/consumer relationships.
5. Need for secrecy and compartmentation.
6. Protection of sources and methods.
7. Covert action.
8. Intelligence support in crisis situations.

9. Control of intelligence resources in peace-time and war-time.

meaning 10. National intelligence support for field commanders.

11. Review the Intelligence Community organization.

12. Relationship of the Intelligence Community and Congress.

PHASE III - IDENTIFICATION AND REVIEW OPTIONS (Dec 1-5)

- o Evaluate need for organizational changes.
- o Identify most promising options.
- o Spell out the pros and cons of each option.

PHASE IV - DEVELOP FINAL REPORT (Dec 5-15)

Dec 6 - Complete First Draft.

Dec 9 - Complete Second Draft.

Dec 10 - Review draft report with principals.

Dec 12 - Final Draft for comment/mark-up.

Dec 15 - Deliver final report.

Dec 16 - Receive formal agency comments.

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~~IDENTIFIED PROBLEMS~~

1. Executive Office and State supervision, coordination and control.

1. How Presidential needs are currently being served.

-- Who reports to President on intelligence matters?

-- Responsibility for providing substantive intelligence unclear.

2. Executive Branch coordination in politically sensitive areas (e.g., covert action, clandestine collection)

3. Resource control unclear within the Executive Office.

4. Oversight procedures must be strengthened.

5. Role of PFIAB must be reexamined.

Sources: All Studies

☐ - PFIAB Data

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2. Intelligence Community Leadership

1. Identify possible options
2. Evaluate capability of various options to resolve identified problem

3. Control Over Community Resources

1. Describe and critique current resource control system
- DoD/DCI/CIA/State/Treasury
2. Resource control within the Executive Office
3. Decision-making framework emphasizes functions (input)
rather than mission product needs (output)
4. Inadequate review of balance between collection, processing,
/and production.
5. Viability of existing committees including - IRAC, USIB, Excom
6. Consumer role in resources
7. National vs. tactical resources
8. Performance evaluation--describe and critique

Sources:

Schlesinger Study
CIA Study
OMB papers

1. Catalog of major relationships - DoD/DCI will provide quick survey by Tuesday
quality, relevance,
2. Trends in / and timeliness of product shaped to user needs
3. Relative importance of structured vs. ad-hoc requirements
4. Intelligence personnel involvement in policy-making process
5. NSCIC effectiveness
6. Early warning capability needed.
7. Need for feedback; customer must iterate with producer
8. Greater need for lower level customer involvement
9. Washington relation with country teams.

10 Access to sensitive ^{US} info

Sources:
Schlesinger
CIA Study

5. Need for secrecy and compartmentation

1. Describe and critique current system
2. Must reexamine what needs to be protected
3. Is customer being served properly - objective must be to deliver needed information to customer
4. Tendency under today's system to seal off on all sides
5. Excess emphasis on clearances which consumers do not need; other potential customers are not being served since they do not possess clearances
6. Overhead reconnaissance classification question - including possible delivery of product to outside users
7. Parallel to classification study conducted in 1971

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Sources:

☐ paper
☐ papers

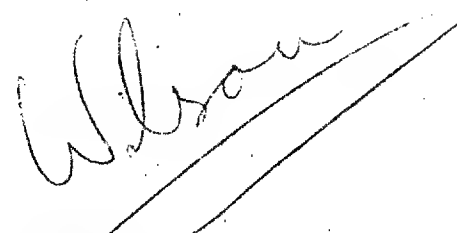
Congressional proposal

☐ papers

Space Policy Committee (overhead reconnaissance)

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6. Protection of sources and methods

1. Describe existing authority (statutory) - partial in coverage (NSA and CIA included, DIA excluded)
2. Existing proposals for statutory changes from DCI/DoD/White House are needed
3. Review existing agency proposals and counterinterviews
4. Protection vis-a-vis Congress/and public

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Sources:

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☐

Existing statutes
Statutory proposals

7. Covert action

1. Describe and critique existing nature and structure
2. Assess all levels of existing controls (including Congress)
3. Should it be part of the Intelligence Community?
4. Should it be in CIA?
5. Need for coordination on politically sensitive problems.

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Sources:

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☐ - CIA Study Annex
Murphy Commission - Covert Action Annex
- Agency responses (in library)

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☐ - will check

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8. Intelligence support in crisis situations

1. Describe and critique the current process including:
 - . who provides intelligence to WSAG
 - . Strategic Warning Staff (under DCI)
 - . Early warning process
 - . Alert memorandum
 - . Operational Centers (White House Sit Room, NMCC, State, NSA)
 - . Effectiveness of feedback mechanisms from policy-makers to intelligence producers.

Sources:

CIA Study
DIA Study of warning systems (library)
DCI directive on strategic warning

9. Control of intelligence resources in peace-time and in war-time

1. Describe and critique existing procedures (including statutory and formal ties between DoD/DCI)
2. Can the military and DCI roles be more closely related?

10. National support for field commanders

1. Outline will be provided by Tuesday (Action:)

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11. Review of the Intelligence Community organization

1. Describe and critique the current structure
2. Historical context shaping organizational decisions
3. Identify its strengths and weaknesses
4. Review the existing committee structure
5. Identify abuses which have occurred

6. Procedures for legal advice
7. Restrictions + limitations

12. Relationship of the Intelligence Community and Congress

1. Describe existing arrangements
2. Congressional oversight role and its implications
3. Congressional access to intelligence product
4. Role of the GAO

~~13. Restrictions + limitations~~

INTELLIGENCE ORGANIZATION GROUP

Work Schedule - November 24-30

Monday, Nov 24: 2 p.m.

Review of the Intelligence Community organization
Relationship of the Intelligence Community and
Congress

Tuesday, Nov 25: 2 p.m.

Executive Office (and State) supervision,
coordination and control

National support for field commanders

Wednesday, Nov 26: 2 p.m.

Need for secrecy and compartmentation

Intelligence support in crisis situations

Control of intelligence resources in peace-time
and war-time

Covert action

Friday, Nov 28: 2 p.m.

Control over Community Resources

Producer/consumer relationships

Protection of sources and methods

Saturday, Nov 29/Sunday, Nov 30

Wrap-up session(s) - complete work on all
problem papers

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ALL

Routing Slip

TO:

		ACTION	INFO.			ACTION	INFO.
1	DCI			11	LC		✓
2	DDCI	✓		12	IG		✓
3	S/MC			13	Compt		✓
4	DDS&T		✓	14	Asst/DCI		✓
5	DDI		✓	15	AO/DCI		
6	DD MC		✓	16	Ex/Sec		✓
7	DDO		✓	17			
8	D. DCI/IC	✓		18			
9	D. DCI/N/O		✓	19			
10	GC		✓	20			

SUSPENSE

Date

Remarks:

I'd like separate
CIA & IC
representation -
Names? -

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EXECUTIVE SECRETARIAT

Routing Slip

TO		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	S/MC				
4	DDS&T				
5	DDI				
6	DDA				
7	DDO				
8	D/DCI/IC				
9	D/DCI/NIO				
10	GC				
11	LC				
12	IG				
13	Compt				
14	D/Pers				
15	D/S				
16	DTR				
17	Asst/DCI				
18	AO/DCI				
19	SC/DCI				
20					
21					
22					
SUSPENSE		Date			

Remarks:

Attached is another paper that will be
received at 1300 today.

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Date

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